*548. [The questioners (Shri Raj Mohinder Singh Majitha and Shri Ravi Shankar Prasad) were absent, for answer *vide* page 37].

Aircrafts leased by the Indian Airlines

*549. SHRI ANAND SHARMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether there is a proposal made by the Indian Airlines to lease wide body Aircraft; and

(b) if so, the details of the same and the destinations for which these leased Aircrafts will be deployed?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) A Statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The Board of Directors of Indian Airlines has accorded in-principle approval to the induction of twelve wide body aircraft on dry lease for a period of 5 years. Depending on the availability of suitable aircraft capacity Indian Airlines has plans to operate to UK, USA, Australia, Saudi Arabia, Hong Kong, Canada and some other European destinations.

SHRI ANAND SHARMA: Mr. Chairman, Sir, the Minister deserves to be complimented for some of the commandable initiatives which we have come to know during the course of the Question Hour today. We have two national carriers, the Air India and the Indian Airlines. Of course, Alliance Air is also there, but it is part of the Indian Airlines. Now for a long time, both the Air India and the Indian Airlines are suffering from neglect because of shortage of aircraft which led to both the national carriers abandoning a lot of international routes to other airlines. We have learnt from the newspapers that now the Government has decided, in-principle, to go in for new aircraft both for the Indian Airlines and the Air India. When would these 12 wide body aircraft, which are being taken on dry lease for a period of five years, be available to the Indian Airlines? Secondly, what is the type of these aircraft which have been selected for these long haul operations to international destinations?

SHRI PRAFUL PATEL: Mr. Chairman, Sir, as you know, as per the new policy, we have allowed the Indian Airlines to be able to go on long haul

operations, instead of just operating within the country. Therefore, it is not possible with its present fleet of A-320 aircraft to go on long haul operations. As a result of this changed approach of allowing the Indian Airlines to go on long haul operations, we have asked the Indian Airlines to examine this possibility. They have informed us that the Board of Directors of the Indian Airlines has accorded in-principle approval to induction of 12 wide body aircraft on dry lease for a period of five years. The hon. Member wanted to know about the type of aircraft. Tenders have been invited for 12 aircraft on dry lease. These aircrafts are: A-330/A-340/A-310 and 300/B-767 ER version and Boeing/B-777 wide body aircraft on lease for a period of five years. These are the types of aircraft which have been sought to be inducted. I think tenders have been received, but I do not know the exact date because global tenders were issued on 31st March, 2005. I am sorry. Tenders have been received and offers are being evaluated, as has been informed to me by the Board of Directors of the Indian Airlines.

Different rates of interest on bank loans to SSI Sector

*550. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the public sector banks of the country give loans to Small Scale Industries on different rates of interest;

(b) if so, the reasons therefor;

(c) whether Government propose to adopt uniform policy with respect to the nationalised banks in the matter of sanctioning loans to SSI Units; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) and (b) The lending rates of commercial banks have been deregulated by the Reserve Bank of India (RBI) Banks are free to set their lending rates based on their risk reward considerations and commercial judgement. However, for loans up to Rs. 2 lakh, the Benchmark Prime Lending Rate (BPLR) continues to be the celling.

(c) and (d) Government does not regulate or advise banks on interest rates charged by them. However, in order to enhance transparency in